Alberta
weekly economic review

May 25, 2012

Retail Trade

Alberta retail sales spring forward

After falling back in February, March retail sales bounced back by 0.3% to $5.6 billion. Alberta continues to lead the country in year-over-year retail sales growth, with sales increasing 9.0% over March 2011. The largest year-over-year gain came from other motor vehicles (40.5%), which includes boats, motorcycles and ATVs.

Canada's retail sales were up 0.4% from February and were 4.1% above March 2011. Statistics Canada attributes part of the gain to warm weather as many people purchased spring merchandise earlier than normal. Much of the monthly increase was driven by strong growth in Ontario (1.2%), as six other provinces posted monthly declines.

Employment Insurance (EI)

Alberta EI recipients trend lower

The number of Albertans collecting EI benefits in March decreased 2.9% from February to 26,900. On a year-over-year basis, EI recipients dropped 31%, representing the 24th straight month of annual declines. Alberta's EI beneficiaries are now 46,220 below the October 2009 peak of 73,120.

Farm Cash Receipts

Alberta farm revenue hits a new high

For the second straight quarter, Alberta farmers saw their revenue surge. Alberta farm cash receipts were $3.5 billion in the first quarter of 2012, up an impressive 23.7% over the previous quarter. The strong quarterly gain was largely due to a 43.4% increase in crop receipts, as livestock and livestock products receipts edged up by 1.2%.

On a year-over-year basis, farm receipts were up 28.3% in the first quarter, marking the seventh consecutive annual gain. Canola crop receipts have been particularly strong, increasing 67.2% from the first quarter of 2011.

Job Vacancies

Alberta's job vacancy rate remains the highest in Canada

The province's job vacancy rate, defined as the number of job openings as a percentage of labour required (employed individuals plus job openings), came in at 3.2% during the December to February period. This represents the highest level of all provinces and almost double the national rate of 1.7%.

The unemployment to job vacancy ratio provides another indication of Alberta's strong labour market. Between December and February, there were 1.8 unemployed people for every job opening in Alberta, much lower than the national average of 5.7.

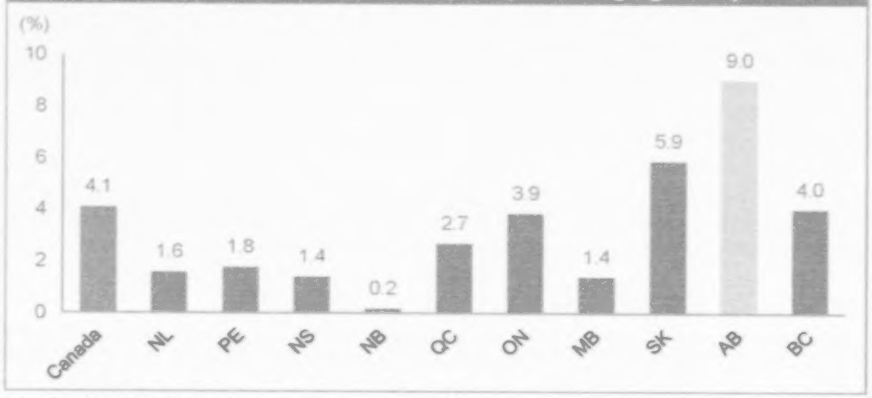
Canadian Corporate Profits

Profits flat in the first quarter

Canadian company profits were virtually unchanged in the first quarter of 2012, following a large gain in the final quarter of 2011. Corporate profits were $75 billion, up a mere 0.1% over the previous quarter. However, profits were up 4.6% over the first quarter of last year, the ninth straight quarter of year-over-year increases. Corporate profits are now just 2.9% below their pre-recession peak.

At the industry level, oil and gas profits saw a particularly large increase of 8.1% over the previous quarter, though the year-over-year increase was a more modest 1.9%.

Retail Trade by Province (year-over-year percentage growth)



Source: Statistics Canada

Closing Prices	May 17, 2012	May 24, 2012	2012–13 Fiscal YTD
Canadian Dollar ($US/$CAN)	99.39	97.32	100.14
WTI Oil ($US/bbl)	$92.50	$90.66	$99.86
NYMEX Natural Gas ($US/MMBtu)	$2.59	$2.65	$2.19

Alberta Economic Indicators[1]

Population	2010	2011	2012YTD	Nov	Dec	Jan	Feb	Mar	Apr
Population[2] (000's)	3,721	3,779	3,818			3,818			
% change	1.9	1.6	2.0			2.1			
Net Interprovincial Migration[3] (level)	-2,183	13,660	9,146			6,010			
Net International Migration[3] (level)	31,533	14,000	13,877			6,297			
Net non-permanent Residents[3] (level)	-77	-7,366	2,400			105			
Labour Market									
Employment (000's)	2,017	2,094	2,134	2,132	2,153	2,146	2,129	2,132	2,143
% change	0.4	3.8	3.4	4.9	4.9	3.9	2.6	3.1	4.9
Unemployment Rate (%)	6.5	5.5	5.0	5.0	4.9	4.9	5.0	5.3	4.9
Participation Rate (%)	72.9	73.7	73.9	74.2	74.0	74.1	73.7	74.0	73.9
Average Weekly Earnings ($)	993	1,039.5	1,056.8	1,049.9	1,049.6	1,064.1	1057.57		
% change	4.5	4.7	2.6	3.3	4.4	2.6	2.2		
Price Indices									
Consumer Price Index	1.0	2.4	1.8	2.2	2.0	2.0	1.9	2.2	0.8
Excluding food and energy	0.8	0.8	1.5	1.5	1.2	1.4	1.6	1.5	2.1
Non-Res Building Const. Price index[3]	0.1	3.4	4.5		4.0			4.5	
Farm Product Price Index	3.9	17.4	5.9	12.6	10.3	7.1	5.9		
Crops	-14.5	19.1	-2.8	4.5	1.8	-0.8	-4.7		
Livestock	5.7	17.2	12.4	19.4	17.6	15.0	10.0		
Household Sector									
Housing Starts (SAAR, 000's)	26.9	25.5	32.7	30.1	28.5	25.9	31.1	35.3	37.8
% change	24.5	-5.3	54.2	35.6	38.3	34.7	42.7	69.9	68.8
Housing Price Index[4]	0.5	0.4	0.5	0.4	0.6	0.7	0.2	0.6	
Edmonton	0.8	0.9	0.7	1.1	1.2	1.4	0.1	0.6	
Calgary	1.7	0.1	0.4	0.2	-0.1	0.1	0.4	0.8	
MLS Average Resale House ($ 000's)	350.9	352.7	356.4	355.6	351.0	343.6	360.5	350.6	362.5
% change	3.1	0.5	0.6	0.3	-0.7	-2.7	1.2	-2.5	1.3
Edmonton ($ 000's)	326.5	326.5	332.0	330.0	328.0	326.2	334.5	331.3	337.2
% change	2.3	0.7	2.9	0.9	1.3	0.7	4.8	1.8	3.2
Calgary ($ 000's)	397.4	401.9	401.2	399.7	402.4	378.5	410.5	407.9	407.8
% change	3.4	1.1	0.5	-0.2	1.7	-6.2	0.5	2.4	1.3
NEW: Retail Sales	6.0	6.9	9.7	8.5	7.9	11.0	9.1	9.0	
New Motor Vehicle Sales	9.5	9.6	18.3	16.7	10.4	22.6	20.8	12.9	
Consumer Bankruptcies (level)	8,150	7,029		577	483				
% change	-18.4	-13.8		11.5	-6.9				
Business Sector									
Rigs Drilling (level)	207	286	335	330	328	401	459	338	141
% change	61.3	37.9	4.7	19.4	25.8	7.8	9.9	7.6	14.4
Goods Exports (customs basis)	12.4	18.3	14.5	29.5	15.7	15.2	17.1	11.1	
Energy	17.2	19.3	15.4	31.4	16.7	15.0	17.5	13.2	
Agriculture	-14.4	21.4	23.9	31.7	30.3	27.4	18.4	25.9	
NEW: Total Farm Cash Receipts (quarterly)	-3.7	16.3	28.3		19.0			28.3	
Manufacturing Shipments	11.0	18.9	14.6	25.7	16.1	14.9	16.0	13.0	
Wholesale Trade	10.8	14.8	15.1	17.9	15.7	15.3	16.2	13.8	
Building Permits	2.1	-11.2	7.5	10.7	48.6	33.4	22.6	-27.5	
Residential	24.7	4.7	31.3	30.0	33.6	24.2	50.2	22.7	
Non-residential	-19.0	20.4	-14.6	-10.1	67.1	50.7	-32.9	64.6	
Business Bankruptcies (level)	378	264		19	18				
% change	-6.7	-30.2		0.0	-59.1				

YTD (year- to- date) represents the change since the beginning of the year compared to the same period in the previous year.

[1] Unless otherwise indicated, all figures are year- over- year percentage change.

[2] Quarterly, annual numbers are presented on a census year basis (July 1– June 30).

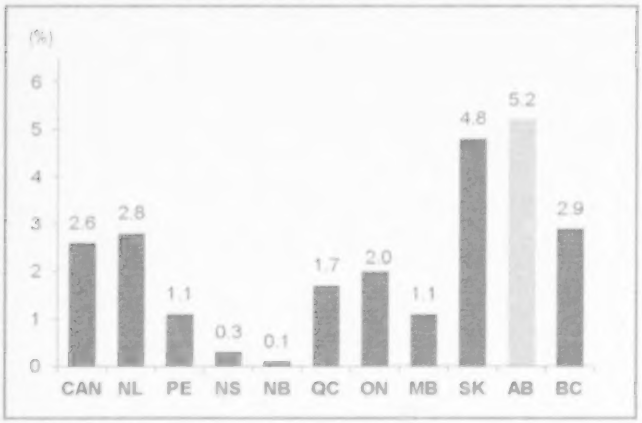
[3] Quarterly, average of Calgary and Edmonton.

[4] Average of Calgary and Edmonton

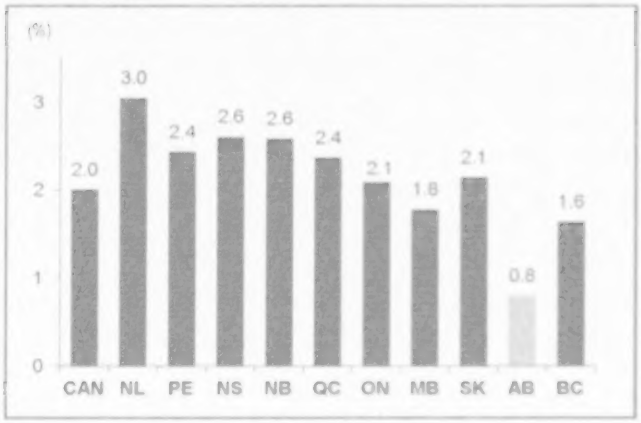
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Economic Indicators by Province

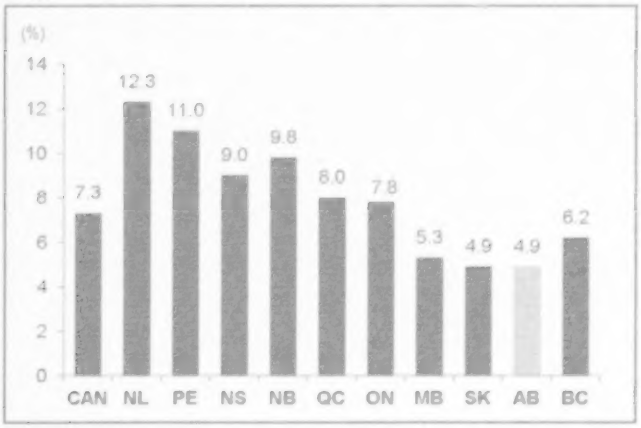
Real GDP Growth by Industry
(2011 preliminary estimates, year-over-year growth)



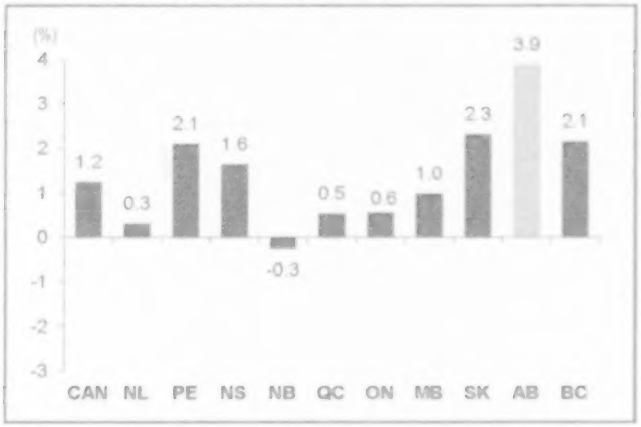
CPI Inflation
(April 2012, year-over-year growth)



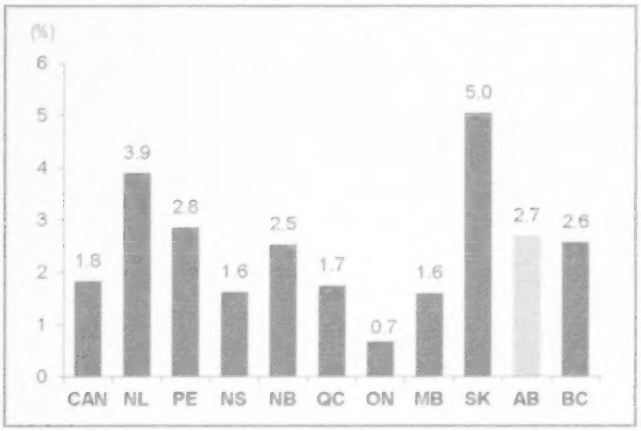
Unemployment Rate
(April 2012)



Employment
(April 2012, year-over-year growth)



Average Weekly earnings
(February 2012, year-over-year growth)



Housing Starts
(April 2012, SAAR, year-over-year growth)